

## Chapter 4

# Values, Attitudes, and Work Behaviour

### Husky Injection Molding Systems Ltd.

Ontario-based Husky Injection Molding Systems Ltd. manufactures injection moulding equipment—high-tech beasts resembling immense waffle irons that pump out everything from yogurt containers to car bumpers. More than 90 per cent of its machinery is exported to 80 countries, with some 3,600 Husky machines now operating globally. Husky

employs 2,600 people in 27 countries.

Since producing their first mold for a coffee cup in 1958, Husky has become a world leader in producing machinery used to create PET (polyethylene terephthalate) molds. Over the last two decades, its sales have soared from US\$72 million in 1985 to \$600 million. Husky alone is credited, in large measure, for Canada's shift from a trade deficit to a surplus position in plastics machinery. Although the plastic molding industry has suffered a downturn recently, Husky is creating in-roads into new markets, and analysts are excited about the company's future.

By now you may be wondering how Husky has achieved such a stellar record of financial success. The answer is a strong value system that it lives consistently and brings to life in its buildings, its employees, and its products. At Husky, treating people and the environment with respect is paramount, and when it comes to labour-management relations, Husky is clearly no ordinary company.

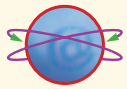


## Learning Objectives

After reading Chapter 4, you should be able to:

- 1 Define *values* and discuss the implications of cross-cultural variation in values for organizational behaviour.
- 2 Define *attitudes* and explain how people develop and change attitudes.
- 3 Explain the concept of *job satisfaction* and discuss some of its key contributors, including discrepancy, fairness, disposition, mood, and emotion in promoting job satisfaction.
- 4 Outline the various consequences of job satisfaction and explain the relationship between job satisfaction and absenteeism, turnover, performance, organizational citizenship behaviour, and customer satisfaction.
- 5 Differentiate *affective*, *continuance*, and *normative commitment* and explain how organizations can foster organizational commitment.

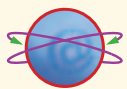
Husky Injection Molding Systems Ltd. stresses values that concern health, equality, and environmental responsibility. The result is high job satisfaction and employee commitment.



Husky Injection Molding Systems  
Ltd. [www.husky.ca](http://www.husky.ca)

According to Husky president and founder Robert Schad, Husky is a company with a conscience and one that is built on values. Those values are apparent as soon as you arrive at Husky's 21.5-hectare headquarters and manufacturing plant in Bolton, Ontario, just north of Toronto, where everything is spotlessly clean and well lit. Manufacturing areas are bright and air-conditioned, and the walls, even in washrooms, are adorned with framed nature paintings, photos, or prints. Books on wildlife greet visitors in the waiting rooms. In the cafeterias, staff dine on organic, vegetarian meals, served hot and subsidized by the company. Herbal teas are free. Candy, doughnuts, and vending machines are nonexistent. The entire building is smoke free, and signs about nutrition are everywhere. In addition to the fitness centre, a medical doctor, nurse, naturopath, chiropractor, and massage therapist are on site most days, and employees receive a \$500 annual benefit for vitamins. Husky nurtures the mind as well as the body, paying 100 percent of tuition and book costs for employees who attend university or college.

The firm's governing ethos is strict egalitarianism. Executives use the same parking lot, dining room, and washrooms as everyone else. No titles denoting position are posted. Offices for executives are small and spartan. Casual dress is de rigueur. Employees with children can bring them to Husky's 15,500-square-foot, \$5-million child-care centre, considered to be a model of contemporary day care.



World Wildlife Fund  
[www.worldwildlife.org](http://www.worldwildlife.org)

In keeping with Husky's concern for environmental responsibility, it recycles 95 percent of its industrial, office, and food waste, uses electric rather than gas-powered fork lifts, and is moving to ammonia-cooled air-conditioning systems. In addition, 5 percent of after-tax company profits goes to charities and environmental causes, such as the World Wildlife Fund and the Canadian College of Naturopathic Medicine. Robert Shad is also a strong proponent of the Kyoto environmental accord, and threatened to quit the powerful Canadian Manufacturers and Exporters industry association over the group's anti-Kyoto position. Husky also introduced a program that allows employees to earn company shares by helping

the environment and community through activities such as walking to work, photocopying on both sides of the paper, and coaching a sports team.

Other benefits are less visible, but no less tangible, including Husky's profit-sharing and share-purchasing plans. About 25 percent of the shares are held by employees, and each Husky employee receives a bonus based on a percentage of the company's net earnings. Employee salaries are at the high end of the industry scale. Workers sit on five resource management teams that keep company expenditures under control. As well, a rotating employee council allows workers—from shop-floor machinists to accountants—to meet monthly with the president and voice concerns that are often acted on.

These benefits have allowed Husky to attract the best people and to keep them productive, happy, and proud of where they work. As well, Husky's emphasis on health and humanity pays concrete dividends. The rate of absenteeism is 4 days per year per employee, compared to 7.3 for the industry, and voluntary turnover is 5 percent below the industry average. The company spends \$153.70 per employee on drugs, versus the sectoral average of \$495.02. There are also lower Workers' Compensation Board claims and more accident-free days. Husky even earns more than \$600,000 a year recycling waste.

Husky has exported its healthy habits and concern for the environment to rural Vermont, where it has built a new \$80 million manufacturing plant. Speaking at the plant opening, Schad told the audience, "We don't want to build molds and machines, we want to build a company that's a role model for lasting business success based on our values." The Governor of the state of Vermont described it this way: "This is the most remarkable plant in the state of Vermont, and it may be the most remarkable plant in the United States ... It's a corporate example of how to do business."<sup>1</sup>

Would you be happy working at Husky? This would probably depend on your values and attitudes, important topics that we will cover in this chapter. Our discussion of values will be particularly oriented toward cross-cultural variations in values and their implications for organizational behaviour. Our discussion of attitudes will cover attitude formation and change. Two critical attitudes are job satisfaction and organizational commitment. We will consider the causes and consequences of both.

## What Are Values?

We might define **values** as "a broad tendency to prefer certain states of affairs over others."<sup>2</sup> The *preference* aspect of this definition means that values have to do with what we consider good and bad. Values are motivational, since they signal the attractive aspects of our environment that we should seek and the unattractive aspects that we should avoid or change. The words *broad tendency* mean that values are very general, and that they do not predict behaviour in specific situations very well. Knowing that a person generally embraces the values that support

**Values.** A broad tendency to prefer certain states of affairs over others.

capitalism does not tell us much about how he or she will respond to a homeless person on the street this afternoon.

It is useful to classify values into several categories: intellectual, economic, aesthetic, social, political, and religious.<sup>3</sup> Not everyone holds the same values. Managers might value high productivity (an economic value), while union officials might be more concerned with enlightened supervision and full employment (social values). Husky holds stronger social and health values than the typical organization. We learn values through the reinforcement processes we discussed in Chapter 2. Most are socially reinforced by parents, teachers, and representatives of religions.

To firm up your understanding of values and their impact on organizational behaviour, let us examine some occupational differences in values and see how work values differ across cultures.

### Occupational Differences in Values

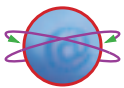
Members of different occupational groups espouse different values. A research program showed that university professors, city police officers, oil company salespeople, and entrepreneurs had values that distinguished them as groups from the general population.<sup>4</sup> For example, the professors valued “equal opportunity for all” more highly than the average person does. On the other hand, the salespeople and entrepreneurs ranked social values (peace, equality, freedom) lower than the average person does. Value differences such as these might be partially responsible for the occupational stereotypes that we discussed in Chapter 3. Further, these differences can cause conflict between organizations and within organizations when members of different occupations are required to interact with each other. For instance, doctors frequently report that their social values are at odds with the economic values of hospital administrators. In general, a good “fit” between the values of supervisors and employees promotes employee satisfaction and commitment.<sup>5</sup> There is also evidence that a good “fit” between an individual’s values and the values of his or her organization (person–organization fit) also enhances job attitudes and behaviours.<sup>6</sup>

Do differences in occupational values develop after a person enters an occupation, or do such differences cause people to gravitate to certain occupations? Given the fact that values are relatively stable, and that many values are acquired early in life, it would appear that people choose occupations that correspond to their values.<sup>7</sup>

### Values Across Cultures

It is by now a cliché to observe that business has become global in its scope—Ben & Jerry’s goes to Russia; Japanese cars dot North American roads; Mickey Mouse invades Japan and France; McDonald’s opens in Moscow; Europe reduces internal trade barriers. All this activity obscures just how difficult it can be to forge business links across cultures. For example, research shows that anywhere from 16 to 40 per cent of managers who receive foreign assignments terminate them early because they perform poorly or do not adjust to the culture.<sup>8</sup> Similarly, a lengthy history of failed business negotiations is attributable to a lack of understanding of cross-cultural differences. At the root of many of these problems might be a lack of appreciation of basic differences in work-related values across cultures. On the other hand, consider the opportunities for organizations that are globally adept (and for graduating students who are cross-culturally sensitive!).

**Work Centrality.** Work itself is valued differently across cultures. One large-scale survey of over 8,000 individuals in several nations found marked cross-national differences in the extent to which people perceived work as a central life interest.<sup>9</sup> Japan topped the list, with very high work centrality. Belgians and



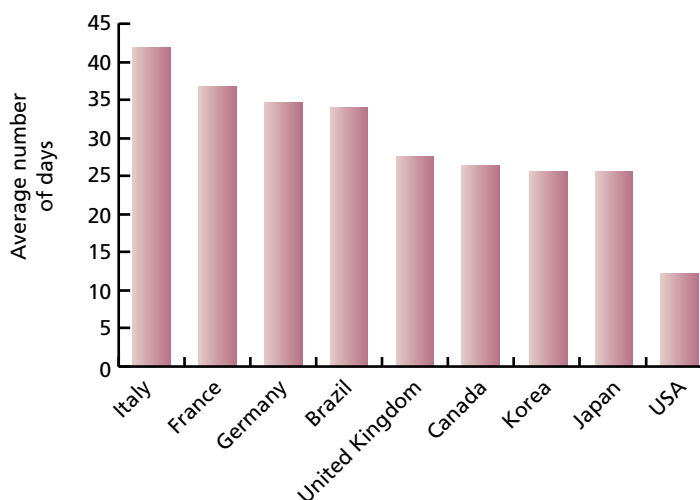
Ben & Jerry's  
www.benjerry.com

Omitted Due to  
Copyright Restrictions

In Japan, socializing with colleagues is often part of the job, reflecting the high centrality of work in Japanese values.

Americans exhibited average work centrality; the British scored low. One question in the survey asked respondents whether they would continue working if they won a large amount of money in a lottery. Those with more central interest in work were more likely to report that they would continue working despite the new-found wealth.

The survey also found that people for whom work was a central life interest tended to work more hours. A reflection of this can be seen in Exhibit 4.1, which shows great variation in vacation time across cultures. This illustrates how cross-cultural differences in work centrality can lead to adjustment problems for foreign employees and managers. Imagine the unprepared British executive who is posted to Japan only to find that Japanese managers commonly work late and then socialize with co-workers or customers long into the night. In Japan, this is all part of the job, often to the chagrin of the lonely spouse. On the other hand, consider the Japanese executive posted to Britain who finds out that an evening at the pub is *not* viewed as an extension of the day at the office and not a place to continue talking business. For more on Japanese work values, see “Global Focus: *Government Urges Japanese to Work Less, Have Babies.*”



**Exhibit 4.1**  
Vacation time across  
cultures.

Source: World Tourism Organization (WTO) as cited in Travel industry Association of America (2002). *World Tourism Overview*. Retrieved July 18, 2003, from <http://www.tia.org/ivis/worldtourism.asp#vacation>.

Omitted Due to  
Copyright Restrictions

**Hofstede's Study.** Dutch social scientist Geert Hofstede questioned over 116,000 IBM employees located in 40 countries about their work-related values.<sup>10</sup> (There were 20 different language versions of the questionnaire.) Virtually everyone in the corporation participated. When Hofstede analyzed the results, he discovered four basic dimensions along which work-related values differed across cultures: power distance, uncertainty avoidance, masculinity/femininity, and individualism/collectivism. Subsequent work with Canadian Michael Bond that catered more to Eastern cultures resulted in a fifth dimension, the long-term/short-term orientation.<sup>11</sup>

**Power distance.** The extent to which an unequal distribution of power is accepted by society members.

- **Power distance.** **Power distance** refers to the extent to which society members accept an unequal distribution of power, including those who hold more power and those who hold less. In small power distance cultures, inequality is minimized, superiors are accessible, and power differences are downplayed. In large power distance societies, inequality is accepted as natural, superiors are inaccessible, and power differences are highlighted. Small power distance societies include Denmark, New Zealand, Israel, and Austria. Large power distance societies include the Philippines, Venezuela, and Mexico. Out of 40 societies, Canada and the United States rank 14 and 15, falling on the low power distance side of the average, which would be 20.



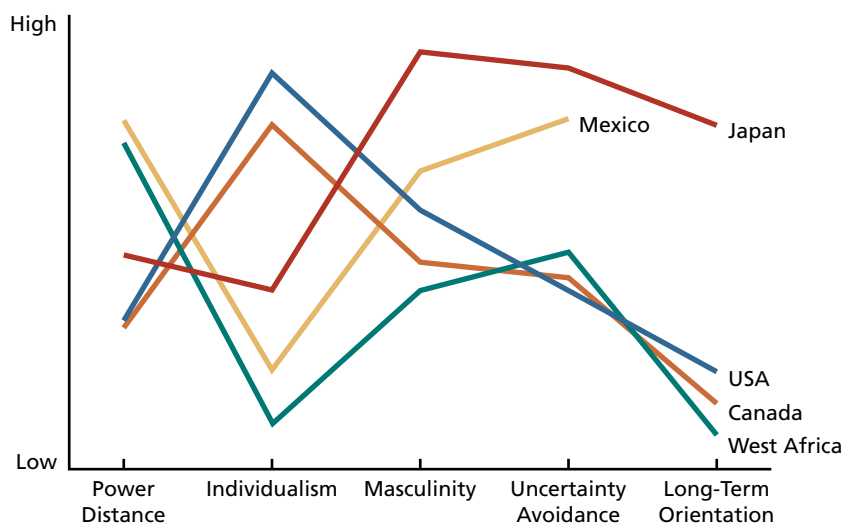
- **Uncertainty avoidance.** **Uncertainty avoidance** refers to the extent to which people are uncomfortable with uncertain and ambiguous situations. Strong uncertainty avoidance cultures stress rules and regulations, hard work, conformity, and security. Cultures with weak uncertainty avoidance are less concerned with rules, conformity, and security, and hard work is not seen as a virtue. However, risk taking is valued. Strong uncertainty avoidance cultures include Japan, Greece, and Portugal. Weak uncertainty avoidance cultures include Singapore, Denmark, and Sweden. On uncertainty avoidance, the United States and Canada are well below average, ranking 9 and 10 out of 40.
- **Masculinity/femininity.** More masculine cultures clearly differentiate gender roles, support the dominance of men, and stress economic performance. More feminine cultures accept fluid gender roles, stress sexual equality, and stress quality of life. In Hofstede's research, Japan is the most masculine society, followed by Austria, Mexico, and Venezuela. The Scandinavian countries are the most feminine. Canada ranks about mid-pack, and the United States is fairly masculine, falling about halfway between Canada and Japan.
- **Individualism/collectivism.** More **individualistic** societies tend to stress independence, individual initiative, and privacy. More **collective** cultures favour interdependence and loyalty to one's family or clan. The United States, Australia, Great Britain, and Canada are among the most individualistic societies. Venezuela, Columbia, and Pakistan are among the most collective, with Japan falling about mid-pack.
- **Long-term/short-term orientation.** Cultures with a long-term orientation tend to stress persistence, perseverance, thrift, and close attention to status differences. Cultures with a short-term orientation stress personal steadiness and stability, face-saving, and social niceties. China, Hong Kong, Taiwan, Japan, and South Korea tend to be characterized by a long-term orientation. The United States, Canada, Great Britain, Zimbabwe, and Nigeria are more short-term oriented. Hofstede and Bond argue that the long-term orientation, in part, explains prolific East Asian entrepreneurship.

**Uncertainty avoidance.** The extent to which people are uncomfortable with uncertain and ambiguous situations.

**Individualistic vs. collective.** Individualistic societies stress independence, individual initiative, and privacy. Collective cultures favour interdependence and loyalty to family or clan.

Exhibit 4.2 compares the United States, Canada, Mexico, Japan, and West Africa on Hofstede's value dimensions. Note that the profiles for Canada and the United States are very similar, but they differ considerably from that of Mexico.

Hofstede has produced a number of interesting "cultural maps" that show how countries and regions cluster together on pairs of cultural dimensions. The map in



**Exhibit 4.2**  
Cross-cultural value comparisons.

Source: Graph by authors. Data from Hofstede, G. (1991). *Cultures and organizations: Software of the mind*. London: McGraw-Hill. (Time orientation data for Mexico unavailable.)

**Exhibit 4.3**  
Power distance and individualism values for various countries and regions.

Source: Adapted from Hofstede, G. (1984). The cultural relativity of the quality of life concept. *Academy of Management Review*, 9, p. 391. Reprinted with permission.

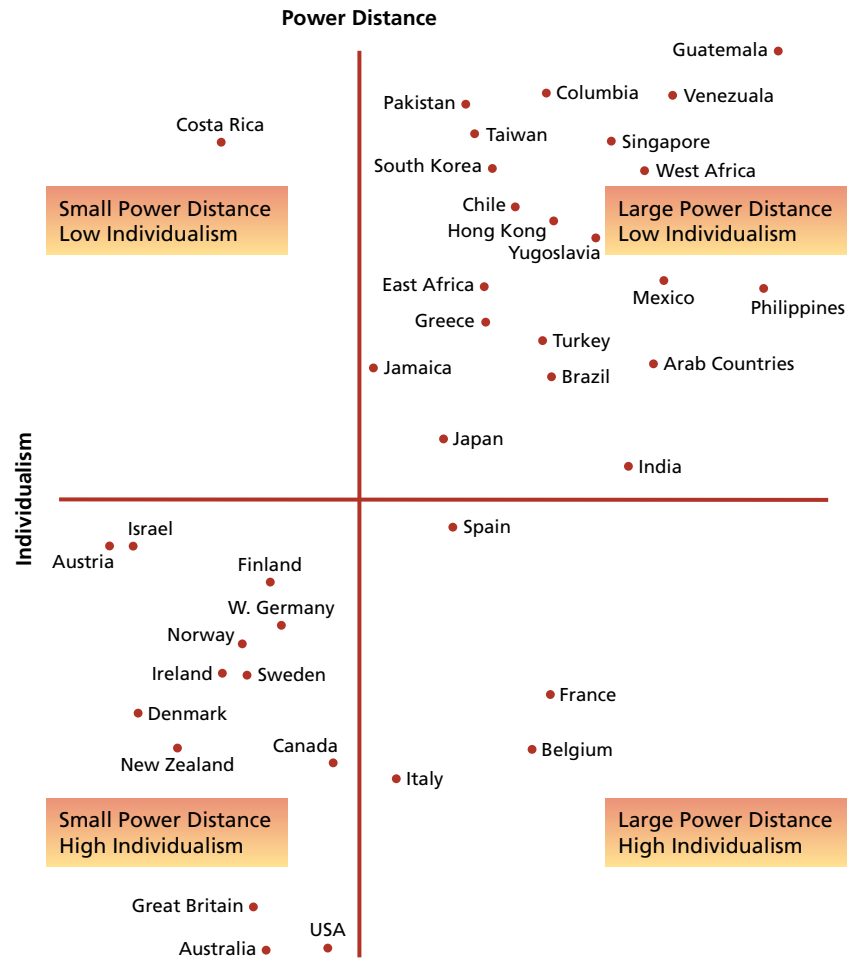


Exhibit 4.3 shows the relationship between power distance and degree of individualism. As you can see, these two values tend to be related. Cultures that are more individualistic tend to downplay power differences, while those that are more collectivistic tend to accentuate power differences.

### Implications of Cultural Variation

**Exporting OB Theories.** An important message from the cross-cultural study of values is that organizational behaviour theories, research, and practices from North America might not translate well to other societies, even the one located just south of Texas.<sup>12</sup> The basic questions (How should I lead? How should we make this decision?) remain the same. It is just the *answers* that differ. For example, North American managers tend to encourage participation in work decisions by employees. This corresponds to the fairly low degree of power distance valued here. Trying to translate this leadership style to cultures that value high power distance might prove unwise. In these cultures, people might be more comfortable deferring to the boss's decision. Thus, it is unlikely that Husky could translate their low power distance and egalitarian style to all overseas locations. Similarly, in individualistic North America, calling attention to one's accomplishments is expected and often rewarded in organizations. In more collective Asian or South American cultures, individual success might be devalued, and it might make sense to reward groups rather than individuals. Finally, in extremely masculine cultures, integrating women into management positions might require special sensitivity.



Successful firms have learned to blend the values of their headquarters' corporate culture with those of the host nation in overseas operations. In other words, they export an overall philosophy, while tailoring it to local customs and values. For example, U.S.-based National Semiconductor tends to stress very systematic technical decision making. The Israeli culture tends to be very informal and more collective than that in the United States. In its Israeli operations, the firm has developed a decision-making process that is systematic but team oriented and participative, meeting corporate needs but respecting local values.<sup>13</sup>

**Importing OB Theories.** Not all theories and practices that concern organizational behaviour are perfected in North America or even in the West. The most obvious examples are “Japanese management” techniques, such as quality circles, total quality management, and just-in-time production. Although there are success stories of importing these techniques from Japan to North America, there are also numerous examples of difficulties and failure. Many of the problems stem from basic value differences between Japan and North America.

Although they are generally successful operations, the pace of work required has led to employee complaints in North American Nissan and Honda plants. Similarly, the quest for continuous improvement and the heavy reliance on employee suggestions for improvement has had a mixed reaction.<sup>14</sup> In Japan, cultural values have traditionally dictated a fairly high degree of employment security. Thus, working at a fast pace and providing suggestions for improvement will not put one out of a job. North American workers are uncertain about this.

Many of the Japanese-inspired means of organizing work are team oriented. Since Japan has fairly collective cultural values, submerging one's own interests in those of the team is natural. Although employers have successfully used teams in North America, as you will see in Chapter 7, our more individualistic culture dictates that careful selection of team members is necessary.

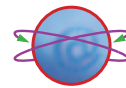
Understanding cultural value differences can enable organizations to successfully import management practices by tailoring the practice to the home culture's concerns.

**Appreciating Global Customers.** An appreciation of cross-cultural differences in values is essential to understanding the needs and tastes of customers or clients around the world. Once relegated to the status of a marketing problem, it is now clear that such understanding fundamentally has to do with organizational behaviour. Errors occur with regularity. For instance, the initial French response to the Euro Disney theme park was less enthusiastic than Disney management expected, probably due, in part, to Disney's failure to truly appreciate French tastes in food, lifestyle, and entertainment. South Korea's Samsung recalled a calendar featuring models displaying its products that was destined for overseas customers. Some North Americans were offended by Miss July's see-through blouse.

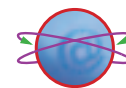
Appreciating the values of global customers is also important when the customers enter your own culture. Many firms have profited from an understanding of the increasing ethnic diversity in the United States, Canada, and Australia.

**Developing Global Employees.** Success in translating management practices to other cultures, importing practices developed elsewhere, and appreciating global customers are not things that happen by accident. Rather, companies need to select, train, and develop employees to have a much better appreciation of differences in cultural values and the implications of these differences for behaviour in organizations.

Gillette is recognized as having one of the best of such programs. The firm produces razor blades, pens (PaperMate), and electrical appliances (Braun) in 28 countries and markets them in more than 200. Over 25 years, it has built a global management team by using a variety of tactics. These include the following:



Samsung Electronics  
[www.samsungelectronics.com](http://www.samsungelectronics.com)



Gillette  
[www.gillette.com](http://www.gillette.com)

- Hiring local people as managers outside the United States
- Finding key talent among overseas students studying in North American universities
- Moving managers to posts in other countries to sharpen their international exposure
- Rewarding managers with extensive international experience by putting them in charge of new international markets or joint ventures
- Bringing groups of young international management trainees to one of three international headquarters (Boston, Singapore, or London) for 18 months of intensive development.<sup>15</sup>

Other firms use different techniques for developing an international perspective. To get their designers to better appreciate the values of the North American market, Japanese car makers, including Nissan and Toyota, have opened design studios in California. The top ranks of Detroit's automakers, once the bastion of mid-westerners, are now liberally filled with Europeans or those with European experience. This has led to improved overall performance and the development of cars that are more suitable for worldwide export. Korea's Samsung sends its most promising young employees overseas for a year to simply immerse themselves in the values of another culture (as one executive put it, "to goof off at the mall"). The company feels that this will pay long-term dividends in terms of international competition.<sup>16</sup>

As you proceed through the text, you will encounter further discussion about the impact of cultural values on organizational behaviour. Now, let us examine attitudes and see how they are related to values.

## What Are Attitudes?

**Attitude.** A fairly stable evaluative tendency to respond consistently to some specific object, situation, person, or category of people.

An **attitude** is a fairly stable evaluative tendency to respond consistently to some specific object, situation, person, or category of people. First, notice that attitudes involve *evaluations* directed toward *specific* targets. If I inquire about your attitude toward your boss, you will probably tell me something about how well you *like* him or her. This illustrates the evaluative aspect of attitudes. Attitudes are also much more specific than values, which dictate only broad preferences. For example, you could value working quite highly but still dislike your specific job.

The definition states that attitudes are *relatively stable*. Under normal circumstances, if you truly dislike German food or your boss today, you will probably dislike them tomorrow. Of course, some attitudes are less strongly held than others and are thus more open to change. If your negative attitude toward German cuisine stems only from a couple of experiences, I might be able to improve it greatly by exposing you to a home-cooked German meal. This provides you with some new information.

Our definition indicates that attitudes are *tendencies to respond* to the target of the attitude. Thus, attitudes often influence our behaviour toward some object, situation, person, or group:

Attitude → Behaviour

This is hardly surprising. If you truly dislike German food, I would not expect to see you eating it. By the same token, if you like your boss, it would not be surprising to hear you speaking well of him:

Dislike German Food → Don't Eat German Food

Like Boss → Praise Boss

Of course, not everyone who likes the boss goes around praising him in public, for fear of being seen as too political. Similarly, people who dislike the boss do not

always engage in public criticism, for fear of retaliation. These examples indicate that attitudes are not always consistent with behaviour, and that attitudes provide useful information over and above the actions that we can observe.

Where do attitudes come from? Put simply, attitudes are a function of what we think and what we feel. That is, attitudes are the product of a related belief and value. If you believe that your boss is consultative, and you value consultation, we can conclude that you might have a favourable attitude toward the boss. We can represent this relationship in the form of a simple syllogism.<sup>17</sup> For example:

If the boss is consultative, (Belief)  
And consultation is good, (Value)  
Then the boss is good. (Attitude)

Given this point of view, we can now expand the attitude model presented earlier to include the thinking and feeling aspects of attitudes represented by beliefs and values:

BELIEF + VALUE  $\Rightarrow$  ATTITUDE  $\rightarrow$  BEHAVIOUR

Thus, we can imagine the following sequence of ideas in the case of a person experiencing work-family conflict:

“My job is interfering with my family life.” (Belief)  
“I dislike anything that hurts my family.” (Value)  
“I dislike my job.” (Attitude)  
“I’ll search for another job.” (Behaviour)

This simple example shows how attitudes (in this case, job satisfaction) develop from basic beliefs and values, and how they affect organizational behaviour (in this case, turnover from the organization).

## Changing Attitudes

In our everyday lives, we frequently try to change other people’s attitudes. By presenting ourselves in a favourable light (putting our best foot forward), we attempt to get others to develop favourable attitudes toward us. By arguing the case for some attitude we hold, we attempt to get others to embrace this attitude. Thus, it should not surprise us that organizations are also involved in the modification and management of attitudes. Some examples of cases in which management might desire attitude change include the following:

- Attitudes toward workforce diversity
- Attitudes toward ethical business practices
- Attitudes toward anticipated changes, such as the introduction of new technology
- Attitudes toward safety practices and the use of safety equipment.

Most attempts at attitude change are initiated by a communicator who tries to use persuasion of some form to modify the beliefs or values of an audience that supports a currently held attitude. For example, management might hold a seminar to persuade managers to value workforce diversity, or it might develop a training program to change attitudes toward workplace safety. Persuasion that is designed to modify or emphasize values is usually emotionally oriented. A safety message that concentrates on a dead worker’s weeping, destitute family exemplifies this approach. Persuasion that is slanted toward modifying certain beliefs is usually rationally oriented. A safety message that tries to convince workers that hard-hats

and safety glasses are not uncomfortable to wear reveals this angle. You have probably seen both these approaches used in AIDS and antismoking campaigns.

These examples represent the traditional approach to most organizational attitude-change programs, that is, they first try to change beliefs and/or values, in order to change attitudes and behaviour. This involves moving from left to right in our attitude model:

Changed Beliefs and/or Values →

Changed Attitudes → Changed Behaviour

**Cognitive dissonance.** A feeling of tension experienced when certain cognitions are contradictory or inconsistent with each other.

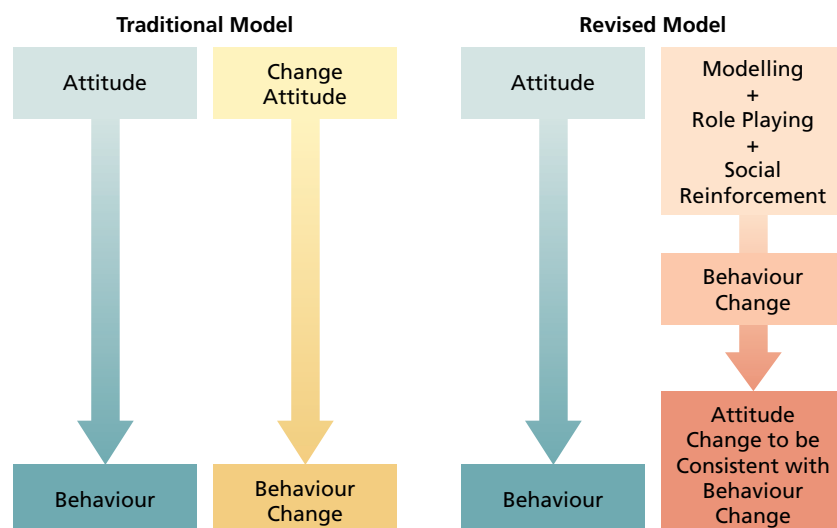
However, cognitive dissonance theory suggests an alternative approach. **Cognitive dissonance** refers to a feeling of tension experienced when certain cognitions are contradictory or inconsistent with each other (i.e., dissonant). Cognitions are simply thoughts or knowledge that people have about their own beliefs, values, attitudes, and behaviour. Therefore, would it be sensible to change a person's behaviour *first*, with the assumption that the person would realign his or her attitudes to support this behaviour? Dissonance theory suggests that engaging in behaviour that is not supported by our attitudes might indeed lead us to change our attitudes to reduce the tension produced by inconsistency. Researchers have observed such effects in studies where people had to role-play behaviours that were inconsistent with their attitudes.<sup>18</sup>

Arnold Goldstein and Melvin Sorcher argue that the traditional view of attitude change has not always proven effective in organizations (Exhibit 4.4).<sup>19</sup> They suggest that attempts to use persuasion to change beliefs and values often fail to lead to attitude change because the audience is unable to see how the new beliefs or values will be applicable to their on-the-job behaviour. For example, trainees might learn that people with various cultural backgrounds have different styles of communication but not understand how to apply this knowledge to dealing with the different people on the job. To deal with this problem, Goldstein and Sorcher suggest that individuals should be taught specific *behaviours* they can apply on the job that correspond to the desired attitude change. When the trainees find these behaviours are successful in carrying out their daily activities, dissonance theory suggests that attitudes will change to correspond to the newly learned behaviours. To teach the new behaviours, Goldstein and Sorcher recommend three techniques:

- *Modelling of correct behaviours.* Videotapes are usually employed for this purpose.

#### Exhibit 4.4 Models of attitude change.

Source: Reprinted with permission from Goldstein, A. P., & Sorcher, M. (1974). *Changing supervisor behavior*. New York: Pergamon.



- *Role-playing of correct behaviours by trainees.* In this phase, trainees get a chance to actually *practise* the desired behaviours.
- *Social reinforcement of role-played behaviours.* Trainers and fellow trainees provide reinforcement (usually praise) for correct role-playing performance.

The revised model of attitude change that Goldstein and Sorcher suggest is shown in the right portion of Exhibit 4.4. Organizations such as IBM and General Electric have applied these techniques with success. Experts recommend them highly for cross-cultural training programs because the trainees actually get a chance to practise social skills useful in other cultures.<sup>20</sup>

## What Is Job Satisfaction?

**Job satisfaction** refers to a collection of attitudes that people have about their jobs. We can differentiate two aspects of satisfaction. The first of these is facet satisfaction, the tendency for an employee to be more or less satisfied with various facets of the job. The notion of facet satisfaction is obvious when we hear someone say, “I love my work but hate my boss” or “This place pays lousy, but the people I work with are great.” Both these statements represent different attitudes toward separate facets of the speakers’ jobs. Research suggests that the most relevant attitudes toward jobs are contained in a rather small group of facets: the work itself, compensation, career opportunities, recognition, benefits, working conditions, supervision, co-workers, and organizational policy.<sup>21</sup>

In addition to facet satisfaction, we can also conceive of overall satisfaction, an overall or summary indicator of a person’s attitude toward his or her job that cuts across the various facets.<sup>22</sup> The statement, “On the whole, I really like my job, although a couple of aspects could stand some improvement,” is indicative of the nature of overall satisfaction. Overall satisfaction is an average or total of the attitudes individuals hold toward various facets of the job. Thus, two employees might express the same level of overall satisfaction for different reasons.

The most popular measure of job satisfaction is the *Job Descriptive Index* (JDI).<sup>23</sup> This questionnaire is designed around five facets of satisfaction. Employees are asked to respond “yes,” “no,” or “?” (cannot decide) in describing whether a particular word or phrase is descriptive of particular facets of their jobs. Exhibit 4.5 shows some sample JDI items under each facet, scored in the “satisfied” direction. A scoring system is available to provide an index of satisfaction for each facet. In addition, an overall measure of satisfaction can be calculated by adding the separate facet indexes.

**Job satisfaction.** A collection of attitudes that workers have about their jobs.

### Work

- N Routine
- Y Creative
- N Tiresome
- Y Gives sense of accomplishment

### People

- Y Stimulating
- Y Ambitious
- N Talk too much
- N Hard to meet

### Promotions

- Y Good opportunity for advancement
- Y Promotion on ability
- N Dead-end job
- N Unfair promotion policy

### Supervision

- Y Asks my advice
- Y Praises good work
- N Doesn’t supervise enough
- Y Tells me where I stand

### Pay

- Y Income adequate for normal expenses
- N Bad
- N Less than I deserve
- Y Highly paid

### Exhibit 4.5

Sample items from the Job Descriptive Index with “satisfied” responses.

Source: The Job Descriptive Index, revised 1985, is copyrighted by Bowling Green State University. The complete forms, scoring key, instructions, and norms can be obtained from the Department of Psychology, Bowling Green State University, Bowling Green, Ohio, 43404. Reprinted with permission.

Another carefully constructed measure of satisfaction, using a somewhat different set of facets, is the *Minnesota Satisfaction Questionnaire* (MSQ).<sup>24</sup> On this measure, respondents indicate how happy they are with various aspects of their job on a scale ranging from “very satisfied” to “very dissatisfied.” Sample items from the short form of the MSQ include:

- The competence of my supervisor in making decisions
- The way my job provides for steady employment
- The chance to do things for other people
- My pay and the amount of work I do.

Scoring the responses to these items provides an index of overall satisfaction as well as satisfaction on the facets on which the MSQ is based.

A number of firms, including Sears, Marriott, 3M, and Microsoft, make extensive use of employee attitude surveys. We will cover the details of such surveys in Chapter 10 when we explore communication and in Chapter 16 when we cover organizational change and development.

## What Determines Job Satisfaction?

When employees on a variety of jobs complete the JDI or the MSQ, we often find differences in the average scores across jobs. Of course, we could almost expect such differences. The various jobs might differ objectively in the facets that contribute to satisfaction. Thus, you would not be astonished to learn that a corporate vice-president was more satisfied with her job than a janitor in the same company. Of greater interest is the fact that we frequently find decided differences in job satisfaction expressed by individuals performing the same job in a given organization. For example, two nurses who work side by side might indicate radically different satisfaction in response to the MSQ item “The chance to do things for other people.” How does this happen?

### Discrepancy

You will recall that attitudes, such as job satisfaction, are the product of associated beliefs and values. These two factors cause differences in job satisfaction even when jobs are identical. First, people might differ in their beliefs about the job in question, that is, they might differ in their *perceptions* concerning the actual nature of the job. For example, one of the nurses might perceive that most of her working time is devoted to direct patient care, while the other might perceive that most of her time is spent on administrative functions. To the extent that they both value patient care, the former nurse should be more satisfied with this aspect of the job than the latter nurse. Second, even if individuals perceive their jobs as equivalent, they might differ in what they *want* from the jobs. Such desires are preferences that are dictated, in part, by the workers’ value systems. Thus, if the two nurses perceive their opportunities to engage in direct patient care as high, the one who values this activity more will be more satisfied with the patient care aspect of work. The **discrepancy theory** of job satisfaction asserts that satisfaction is a function of the discrepancy between the job outcomes people want and the outcomes that they perceive they obtain.<sup>25</sup> The individual who desires a job entailing interaction with the public but who is required to sit alone in an office should be dissatisfied with this aspect of the job. In general, employees who have more of their job-related desires met will report more overall job satisfaction.

**Discrepancy theory.** A theory that job satisfaction stems from the discrepancy between the job outcomes wanted and the outcomes that are perceived to be obtained.



## Fairness

In addition to the discrepancy between the outcomes people receive and those they desire, the other factor that determines job satisfaction is fairness. Issues of fairness affect both what people want from their jobs and how they react to the inevitable discrepancies of organizational life. As we will see, there are two basic kinds of fairness. Distributive fairness has to do with the outcomes we receive, and procedural fairness concerns the process that led to those outcomes.

**Distributive Fairness.** Distributive fairness (often called distributive justice) occurs when people receive what they think they deserve from their jobs, that is, it involves the ultimate *distribution* of work rewards and resources. Above, we indicated that what people want from their jobs is a partial function of their value systems. In fact, however, there are practical limitations to this notion. You might value money and the luxurious lifestyle that it can buy very highly, but this does not suggest that you expect to receive a salary of \$200,000 a year. In the case of many job facets, individuals want “what’s fair.” And how do we develop our conception of what is fair? **Equity theory** states that the inputs that people perceive themselves as investing in a job and the outcomes that the job provides are compared against the inputs and outcomes of some other relevant person or group.<sup>26</sup> Equity will be perceived when the following distribution ratios exist:

$$\frac{\text{My outcomes}}{\text{My inputs}} = \frac{\text{Other's outcomes}}{\text{Other's inputs}}$$

In these ratios, **inputs** consist of anything that individuals consider relevant to their exchange with the organization, anything that they give up, offer, or trade to their organization. These might include factors such as education, training, seniority, hard work, and high-quality work. **Outcomes** are those factors that the organization distributes to employees in return for their inputs. The most relevant outcomes are represented by the job facets we discussed earlier—pay, career opportunities, supervision, the nature of the work, and so on. The “other” in the ratio above might be a co-worker performing the same job, a number of co-workers, or even one’s conception of all the individuals in one’s occupation.<sup>27</sup> For example, the president of the Ford Motor Company probably compares his outcome/input ratio with those that he assumes exist for the presidents of General Motors and DaimlerChrysler. You probably compare your outcome/input ratio in your organizational behaviour class with that of one or more fellow students.

Equity theory has important implications for job satisfaction. First, inequity itself is a dissatisfying state of affairs, especially when we ourselves are on the “short end of the stick.” For example, suppose you see the hours spent studying as your main input to your organizational behaviour class and the final grade as an important outcome. Imagine that a friend in the class is your comparison person. Under these conditions, the following situations appear equitable and should not provoke dissatisfaction on your part:

You	Friend		You	Friend
<u>C grade</u>	<u>A grade</u>	or	<u>A grade</u>	<u>C grade</u>
50 hours	100 hours		60 hours	30 hours

In each of these cases, a “fair” relationship seems to exist between study time and grades distributed. Now consider the following relationships:

You	Friend		You	Friend
<u>C grade</u>	<u>A grade</u>	or	<u>A grade</u>	<u>C grade</u>
100 hours	50 hours		30 hours	60 hours

**Distributive fairness.** Fairness that occurs when people receive what they think they deserve from their jobs.

**Equity theory.** A theory that job satisfaction stems from a comparison of the inputs one invests in a job and the outcomes one receives in comparison with the inputs and outcomes of another person or group.

**Inputs.** Anything that people give up, offer, or trade to their organization in exchange for outcomes.

**Outcomes.** Factors that an organization distributes to employees in exchange for their inputs.

In each of these situations, an unfair connection appears to exist between study time and grades received, and you should perceive inequity. However, the situation on the left, in which you put in more work for a lower grade, should be most likely to prompt dissatisfaction. This is a “short end of the stick” situation. Conditions such as this often lead to dissatisfaction in organizational life. For example, the employee who frequently remains on the job after regular hours (input) and receives no special praise or extra pay (outcome) might perceive inequity and feel dissatisfied. Similarly, the teacher who obtains a Master’s degree (input) and receives no extra compensation (outcome) might react the same way if others have been rewarded for achieving extra education. Equity considerations also have an indirect effect on job satisfaction by influencing what people want from their jobs. If you study 100 hours while the rest of the students average 50 hours, you will expect a higher grade than the class average.

In summary, the equitable distribution of work outcomes contributes to job satisfaction by providing for feelings of distributive fairness. However, let us remember our earlier discussion of cross-cultural differences in values. The equity concept suggests that outcomes should be tied to individual contributions or inputs. This corresponds well with the individualistic North American culture. In more collective cultures, *equality* of outcomes might produce more feeling of distributive fairness. In more feminine cultures, allocating outcomes according to *need* (rather than performance) might provide for distributive fairness.

**Procedural fairness.** Fairness that occurs when the process used to determine work outcomes is seen as reasonable.

**Procedural Fairness.** **Procedural fairness** (often called procedural justice) occurs when individuals see the process used to determine outcomes as reasonable; that is, rather than involving the actual distribution of resources or rewards, it is concerned with how these outcomes are decided and allocated. An example will illustrate the difference between distributive and procedural fairness. Out of the blue, Greg’s boss tells him that she has completed his performance evaluation and that he will receive a healthy pay raise starting next month. Greg has been working very hard, and he is pleased with the pay raise (distributive fairness). However, he is vaguely unhappy about the fact that all this occurred without his participation. Where he used to work, the employee and the boss would complete independent performance evaluation forms and then sit down and discuss their differences. This provided good feedback for the employee. Greg wonders how his peers who got less generous raises are reacting to the boss’s style.

Procedural fairness is particularly relevant to outcomes such as performance evaluations, pay raises, promotions, layoffs, and work assignments. In allocating such outcomes, the following factors contribute to perceptions of procedural fairness.<sup>28</sup> The allocator

- gives adequate reasons for the decisions she takes;
- follows consistent procedures over time and across people;
- uses accurate information and appears unbiased;
- allows two-way communication during the allocation process; and
- welcomes appeals of the procedure or allocation.

As you might imagine, procedural fairness seems especially likely to provoke dissatisfaction when people also see distributive fairness as being low.<sup>29</sup> One view notes that dissatisfaction will be “maximized when people believe that they *would* have obtained better outcomes if the decision maker had used other procedures that *should* have been implemented.”<sup>30</sup> (Students who receive lower grades than their friends will recognize the wisdom of this observation!) Thus, Greg, mentioned above, will probably not react too badly to the lack of consultation, while his peers who did not receive large raises might strongly resent the process that the boss used.

## Disposition

Could your personality contribute to your feelings of job satisfaction? This is the essential question guiding recent research on the relationship between disposition and job satisfaction. Underlying the previous discussion is the obvious implication that job satisfaction can be increased by changing the work environment to increase fairness and decrease the discrepancy between what an individual wants and what the job offers. Underlying the dispositional view of job satisfaction is the idea that some people are *predisposed* by virtue of their personalities to be more or less satisfied despite changes in discrepancy or fairness. This follows from the discussion in Chapter 2 on the dispositional approach and personality.

Some of the research that suggests that disposition contributes to job satisfaction is fascinating. Although each of these studies has some problems, as a group they point to a missing dispositional link.<sup>31</sup> For example:

- Identical twins raised apart from early childhood tend to have similar levels of job satisfaction.
- Job satisfaction tends to be fairly stable over time, even when changes in employer occur.
- Disposition measured early in adolescence is correlated with one's job satisfaction as a mature adult.

Taken together, these findings suggest that some personality characteristics originating in genetics or early learning contribute to adult job satisfaction.

Recent research on disposition and job satisfaction has centred around the “Big Five” personality traits (Chapter 2). People who are extraverted and conscientious tend to be more satisfied with their jobs, while those high in neuroticism are less satisfied.<sup>32</sup> Also, people who are high in self-esteem and internal locus of control are more satisfied.<sup>33</sup> Thus, in general, people who are more optimistic and proactive report higher job satisfaction. Mood and emotion may contribute to this connection, so we will now examine these topics.

## Mood and Emotion

The picture we have painted so far of the determinants of job satisfaction has been mostly one of calculation and rationality: people calculate discrepancies, compare job inputs to outcomes, and so on. But what about the intense feelings that are sometimes seen in work settings—the joy of a closed business deal or the despair that leads to workplace homicides? Or what about that vague feeling of a lack of accomplishment that blunts the pleasure of a dream job? We are speaking here about the role of affect as a determinant of job satisfaction. Affect is simply a broad label for feelings. These feelings include **emotions**, which are intense, often short-lived, and caused by a particular event such as a bad performance appraisal. Common emotions include joy, pride, anger, fear, and sadness. Affect also refers to **moods**, which are less intense, longer-lived, and more diffuse feelings.

How do emotions and moods affect job satisfaction? Affective Events Theory, proposed by Howard Weiss and Russell Cropanzano, addresses this question.<sup>34</sup> Most basically, the theory reminds us that jobs actually consist of a series of events and happenings that have the potential to provoke emotions or to influence moods, depending on how we appraise these events and happenings. Thus, seeing a co-worker being berated by a manager might provoke emotional disgust and lower one's job satisfaction, especially if it is a frequent occurrence. This illustrates that perceived unfairness, as discussed earlier, can affect job satisfaction via emotion. Also, a person's disposition can interact with job events to influence satisfaction. For instance, those who are neurotic and pessimistic may react to a minor series of job setbacks with a negative mood that depresses their job satisfaction.

**Emotions.** Intense, often short-lived, feelings caused by a particular event.

**Moods.** Less intense, longer-lived, and more diffuse feelings.

**Emotional contagion.** Tendency for moods and emotions to spread between people or throughout a group.

**Emotional regulation.** Requirement for people to conform to certain “display rules” in their job behavior in spite of their true mood or emotions.

An interesting way in which mood and emotion can influence job satisfaction is through **emotional contagion**. This is the tendency for moods and emotions to spread between people or throughout a group. Thus, people’s moods and emotions tend to converge with interaction. Generally, teams experiencing more positive affect tend to be more cooperative, helpful, and successful, all of which are conditions that contribute to job satisfaction.<sup>35</sup> Emotional contagion can also occur in dealing with customers, such that pleasant service encounters contribute to the service provider’s satisfaction as well as to that of the customer.

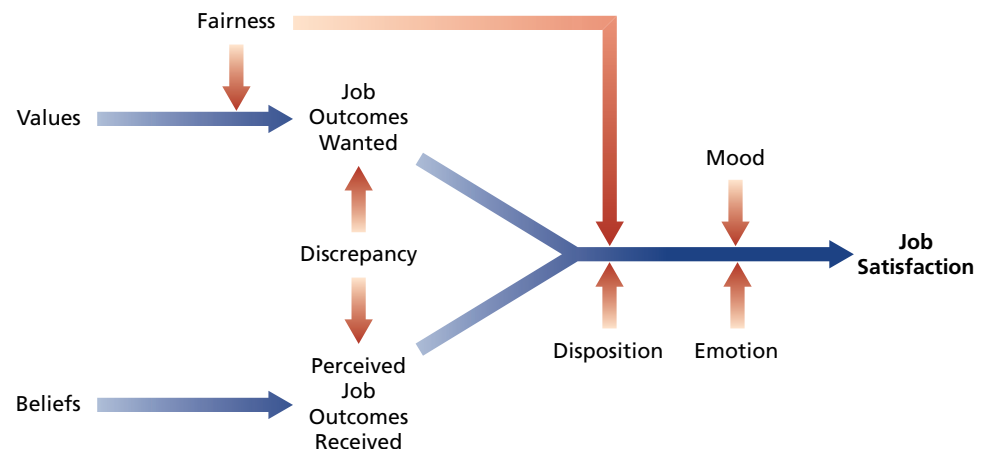
Another interesting way in which mood and emotion can influence job satisfaction is through the need for **emotional regulation**. This is the requirement for people to conform to certain “display rules” in their job behaviour, in spite of their true mood or emotions. Often, this is referred to informally as “emotional labour.” In one version, employees are expected to be perky and upbeat, whether they feel that way or not, thus exaggerating positive emotions. In the other version, employees are supposed to remain calm and civil even when hassled or insulted, thus suppressing negative emotions. All jobs have their implicit display rules, such as not acting angry in front of the boss. However, service roles such as waiter, bank teller, and flight attendant are especially laden with display rules, some of which may be made explicit in training and via cues from managers.

What are the consequences of the requirement for emotional regulation? There is growing evidence that the frequent need to suppress negative emotions takes a toll on job satisfaction and increases stress.<sup>36</sup> Flight attendants can only humour so many drunk or angry air passengers before the experience wears thin! On the other hand, the jury is still out on the requirement to express positive emotions. Some research suggests that this display rule boosts job satisfaction.<sup>37</sup> If so, positive contagion from happy customers may be responsible. Of course, disposition may again enter the picture, as extroverts may be energized by requirements for positive display.

Consideration of mood and emotion helps explain a curious but commonplace phenomenon: how people with similar beliefs and values doing the same job for the same compensation can still exhibit very different satisfaction levels. This difference is probably a result of emotional events and subtle differences in mood that add up over time. We will revisit emotion when we study emotional intelligence (Chapter 5), decision making (Chapter 11), stress (Chapter 13), and organizational change (Chapter 16).

Exhibit 4.6 summarizes what research has to say about the determinants of job satisfaction. To recapitulate, satisfaction is a function of certain dispositional factors, the discrepancy between the job outcomes a person wants and the outcomes received, and mood and emotion. More specifically, people experience greater satisfaction when they meet or exceed the job outcomes they want, perceive the job outcomes they receive as equitable compared with those others receive, and believe that

**Exhibit 4.6**  
How discrepancy, fairness, disposition, mood, and emotion affect job satisfaction.



fair procedures determine job outcomes. The outcomes that people want from a job are a function of their personal value systems, moderated by equity considerations. The outcomes that people perceive themselves as receiving from the job represent their beliefs about the nature of that job.

## Key Contributors to Job Satisfaction

From what we have said thus far, you might expect that job satisfaction is a highly personal experience. While this is essentially true, we can make some general statements about the facets that seem to contribute the most to feelings of job satisfaction for most North American workers. These include mentally challenging work, adequate compensation, career opportunities, and friendly or helpful colleagues.<sup>38</sup>

**Mentally Challenging Work.** This is work that tests employees' skills and abilities and allows them to set their own working pace. Employees usually perceive such work as personally involving and important. It also provides the worker with clear feedback regarding performance. Of course, some types of work can be too challenging, and this can result in feelings of failure and reduced satisfaction. In addition, some employees seem to prefer repetitive, unchallenging work that makes few demands on them.

**Adequate Compensation.** It should not surprise you that pay and satisfaction are positively related. Employee job satisfaction at Husky is probably partly due to industry high salaries as well as bonuses received as part of the company's profit-sharing plan. However, not everyone is equally desirous of money, and some people are certainly willing to accept less responsibility or fewer working hours for lower pay. In most companies, one finds a group of employees who are especially anxious to earn extra money through overtime and another group that actively avoids overtime work.

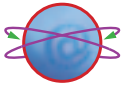
**Career Opportunities.** The ready availability of career opportunities contributes to job satisfaction. Opportunity for promotion is an important contributor to job satisfaction because promotions contain a number of valued signals about a person's self-worth. Some of these signals may be material (such as an accompanying raise), while others are of a social nature (recognition within the organization and increased prestige in the community). Of course, there are cultural and individual differences in what people see as constituting a fair promotion system. Some employees might prefer a strict seniority system, while others might wish for a system based strictly on job performance. Many of today's flatter organizations no longer offer the promotion opportunities of the past. Well-run firms have offset this by designing lateral moves that provide for challenging work. Also, as discussed in Chapter 2, career development helps prepare employees to assume challenging assignments.

**People.** It should not surprise you that friendly, considerate, good-natured superiors and co-workers contribute to job satisfaction, especially via positive moods and emotions. There is, however, another aspect to interpersonal relationships on the job that contributes to job satisfaction. Specifically, we tend to be satisfied in the presence of people who help us attain job outcomes that we value. Such outcomes might include doing our work better or more easily, obtaining a raise or promotion, or even staying alive. For example, a company of soldiers in battle might be less concerned with how friendly their commanding officer is than with how competently he is able to act to keep them from being overrun by the enemy. Similarly, an aggressive young executive might like a considerate boss but prefer even more a boss who can clarify her work objectives and reward her for attaining them. The friendliness



aspect of interpersonal relationships seems most important in lower-level jobs with clear duties and various dead-end jobs. As jobs become more complex, pay is tied to performance, or promotion opportunities increase, the ability of others to help us do our work well contributes more to job satisfaction.

For some types of jobs, the challenge of achieving employee satisfaction can be particularly difficult. Consider the example in the You Be the Manager feature.



RAC Motoring Services  
www.rac.co.uk

# You Be the Manager

Omitted Due to  
Copyright Restrictions

RAC combats  
traditional call  
centre prob-  
lems.

In today's service-oriented economy with its focus on high-tech communication, call centres have become one of the most popular means of delivering customer service. Unfortunately, call centres have come to be viewed by many as the sweatshops of the 21st century, where employees are overworked, underpaid, and highly stressed. They are also often characterized by close supervision, as call statistics are meticulously examined and calls are regularly listened in on, with or without the knowledge of the employee.

While employee well-being has been identified as a problem, call centres can also have an important impact on organizational outcomes. Call centres have been shown to have very high turnover and absenteeism rates, which result in extra costs for employers. Furthermore, call centre employees are often the primary contact between customers and the company. As such, it has been suggested that the job satisfaction of call centre employees can influence customer satisfaction, which can impact company revenues in future years. Given the popularity of call centres, the stress experienced by their workers, and the potential impact on the bottom line, how can employers increase the job satisfaction of their call centre employees? This was the question faced by RAC Motoring Services, the

## RAC's Call Centres

UK's second largest automotive membership organization.

In 1996, RAC, which is similar to AAA (American Automobile Association) in the United States or CAA (Canadian Automobile Association) in Canada, lost three quarters of a million customers to competitors or through non-renewals. Given the nature of their services (car buying guides, travel planning, roadside assistance), managers at RAC recognized that keeping customers happy was the best way to compete in this tough market. As such, they decided to focus on their call centre operations to improve service quality for existing and potential customers. In the company's review of its two call centres in England, serious problems were uncovered, including a lack of one-stop shopping for customers, inflexible working practices, an inability to attract and retain staff, low employee morale, and poor training and development.

In response to this review, a customer service director was appointed to initiate a number of important changes in how the call centres operate. Imagine you have just been appointed to this new position and consider the following two questions:

### Questions

1. What are some of the reasons underlying the fact that so many practices commonly used in call centres lead to poor employee satisfaction?
2. Given the nature of the work, what are some concrete steps or programs that you could put in place to improve job satisfaction for RAC's call centre employees?

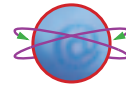
To find out what RAC did, see The Manager's Notebook at the end of the chapter.

Sources: Barnes, P. C. (2001, July). People problems in call centres, *Management Services*, 7, 30–31; Holman, D. (2002). Employee well being in call centres. *Human Resource Management Journal*, 12, 35–50; Hutchinson, S., Purcell, J., & Kinnie, N. (2000). Evolving high commitment management and the experience of the RAC call centre. *Human Resource Management Journal*, 10, 63–78.



## Consequences of Job Satisfaction

Xerox, Levi Strauss & Co., Sears, and Michigan office equipment maker Steelcase are firms that have maintained a competitive advantage by paying particular attention to employee satisfaction. Why is this so? Let's look at some consequences of job satisfaction.



Xerox  
www.xerox.com

Levi Strauss & Co.  
www.levi.com

### Absence from Work

At Husky Injection Molding Systems, the rate of absenteeism is much lower than at other organizations. This is no small feat, as absenteeism is an expensive behaviour in North America. One estimate pegs the annual American cost at up to \$46 billion and the Canadian cost at up to \$10 billion and on the rise.<sup>39</sup> Such costs are attributable to “sick pay,” lost productivity, and chronic overstaffing to compensate for absentees. Many more days are lost to absenteeism than to strikes and other industrial disputes. Is some of this absenteeism the product of job dissatisfaction? Research shows that less satisfied employees are indeed more likely to be absent, and that satisfaction with the content of the work is the best predictor of absenteeism.<sup>40</sup> However, the absence–satisfaction connection is not very strong. Why is the relationship between absenteeism and job satisfaction not stronger? Several factors probably constrain the ability of many people to convert their like or dislike of work into corresponding attendance patterns:

- Some absence is simply unavoidable because of illness, weather conditions, or daycare problems. Thus, some very happy employees will occasionally be absent owing to circumstances beyond their control.
- Opportunities for off-the-job satisfaction on a missed day may vary. Thus, you might love your job but love skiing or sailing even more. In this case, you might skip work while a dissatisfied person who has nothing better to do shows up.
- Some organizations have attendance control policies that can influence absence more than satisfaction does. In a company that doesn't pay workers for missed days (typical of many hourly paid situations), absence may be more related to economic needs than to dissatisfaction. The unhappy worker who absolutely needs money will probably show up for work. By the same token, dissatisfied and satisfied workers might be equally responsive to threats of dismissal if they are absent.
- On many jobs, it might be unclear to employees how much absenteeism is reasonable or sensible. With a lack of company guidelines, workers might look to the behaviour of their peers for a norm to guide their behaviour. This norm and its corresponding “absence culture” (see Chapter 7) might have a stronger effect than the individual employee's satisfaction with his or her job.<sup>41</sup>

The connection between job satisfaction and good attendance probably stems in part from the tendency for job satisfaction to facilitate mental health and satisfaction with life in general.<sup>42</sup> Content people will attend work with enthusiasm.

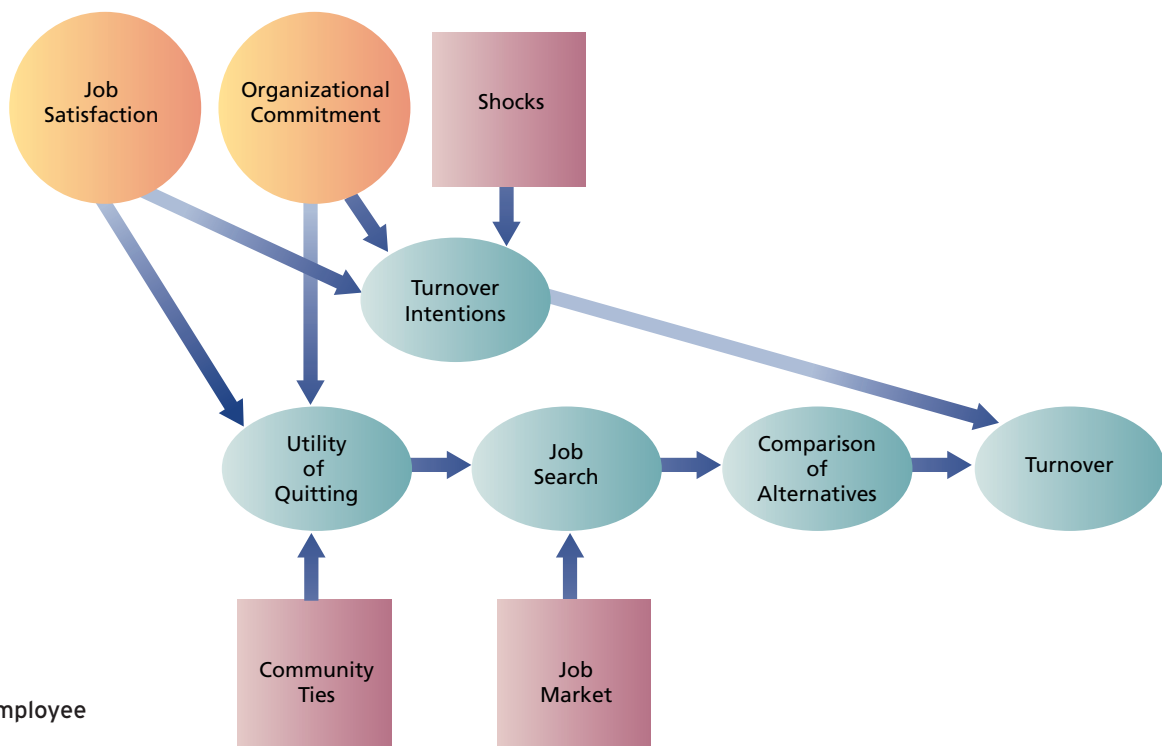
### Turnover

Turnover refers to resignation from an organization, and it can be incredibly expensive. For example, it costs several thousand dollars to replace a nurse or a bank teller who resigns. As we move up the organizational hierarchy, or into technologically complex jobs, such costs escalate dramatically. For example, it costs millions of dollars to hire and train a single military fighter pilot. Estimates of turnover costs usually include the price of hiring, training, and developing to proficiency a replacement employee. Such figures probably underestimate the true costs of turnover, however,

because they do not include intangible costs, such as work group disruption or the loss of employees who informally acquire special skills and knowledge over time on a job. All this would not be so bad if turnover were concentrated among poorer performers. Unfortunately, this is not always the case. In one study, 23 percent of scientists and engineers who left an organization were among the top 10 percent of performers.<sup>43</sup>

What is the relationship between job satisfaction and turnover? Research indicates a moderately strong connection, with less-satisfied workers being more likely to quit.<sup>44</sup> Thus, it is not surprising that Husky has a low turnover rate. However, the relationship between the attitude (job satisfaction) and the behaviour in question (turnover) is far from perfect. Exhibit 4.7 presents a model of turnover that can help explain this.<sup>45</sup> In the model, circles represent attitudes, ovals represent elements of the turnover process, and squares denote situational factors. The model shows that job satisfaction as well as commitment to the organization and various “shocks” (both discussed below) can contribute to intentions to leave. Research shows that such intentions are very good predictors of turnover.<sup>46</sup> As shown, such intentions sometimes prompt turnover directly, even impulsively. On the other hand, reduced satisfaction or commitment can also stimulate a more deliberate evaluation of the utility of quitting and a careful job search and evaluation of job alternatives. The following are some reasons why satisfied people sometimes quit their jobs or satisfied people stay:

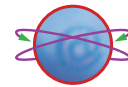
- Certain “shocks,” such as a marital break-up, the birth of a child, or an unsolicited job offer in an attractive location, might stimulate turnover despite satisfaction with the current job.
- An employee’s dissatisfaction with his or her specific job might be offset by a strong commitment to the overall values and mission of the organization.
- An employee might be so embedded in the community (due to involvement with churches, schools, or sports) that he or she is willing to endure a dissatisfying job rather than move.



**Exhibit 4.7**  
A model of employee turnover.

- A weak job market might result in limited employment alternatives. Dissatisfaction is most likely to result in turnover when jobs are plentiful.<sup>47</sup>

For more on this subject see “Research Focus: *Job Dissatisfaction Prompts Turnover Intentions.*”



Towers Perrin  
www.towers.com

Gang & Gang  
www.gang.net

## RESEARCH FOCUS

### Job Dissatisfaction Prompts Turnover Intentions

We often hear, in this era of downsizing and technology, that there is a new work relationship between employers and employees. According to a survey conducted by management consultants Towers Perrin and market researchers Gang & Gang, however, employees still want traditional and straightforward outcomes from work.

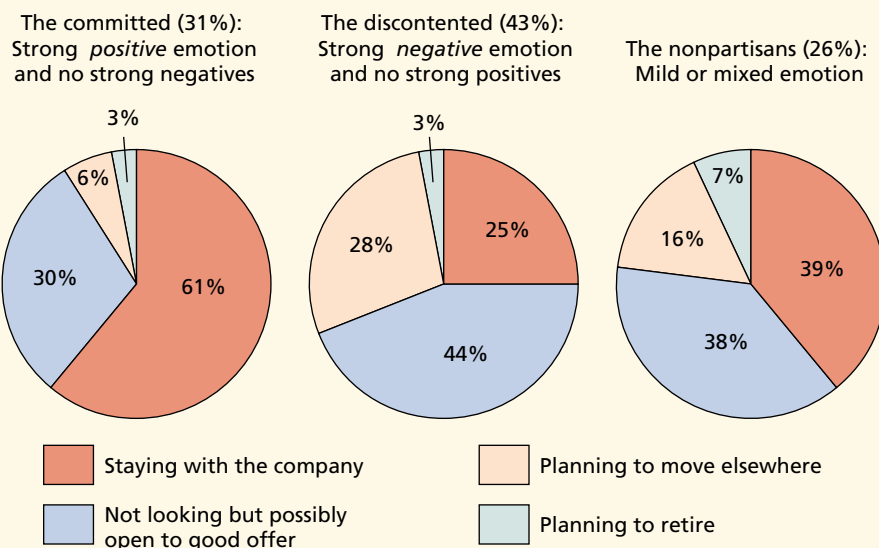
Unfortunately, the survey reveals that employees are not getting what they want. In the survey of 1,100 workers and 300 executives, over half the workers expressed negative emotion about their work experiences, with one third expressing intensely negative feelings. The most common and intense negative points revolved around workload, management support, boredom, recognition/rewards, and fears for the future. “They feel there are barriers in the workplace that prevent them from doing the kinds of jobs that they want to do,” said Bruce Near, managing director of Towers Perrin in Canada. “Part of it is the heavy workload as organizations have downsized. But it goes beyond that. It’s the sense of lack of control over their environment. It’s arbitrary deadlines. It’s boring work. In some cases, it’s the interaction that they have with their immediate supervisors.”

What does this unhappiness mean for employers? Potentially bad news, according to the Towers

Perrin/Gang & Gang study. The respondents were divided into groups based on positive versus negative emotions, and very different turnover intentions were found in the various categories. As shown in Exhibit 4.8, of the mainly positive employees, only 6 percent were planning to leave their jobs as opposed to 28 percent in the discontented group, and 16 percent in the neutral group.

The implication, according to the study, is that 40 to 45 percent of the workers surveyed are at risk of leaving when the job market heats up and the economy gets rolling again. This will mean costs and disruptions for companies. In the meantime, companies may have a significant portion of their workers who are disenchanted and hanging on to their jobs for the wrong reasons. To the extent that these negative employee emotions affect customer service and performance, employers may end up fairly unhappy, too.

Sources: Towers Perrin. (2003). *Working today: Exploring employees’ emotional connections to their jobs*. Retrieved June 25, 2003, from [http://www.towers.com/towers/webcache/towers/United\\_States/publications/Reports/Working\\_Today\\_Exploring\\_Employees\\_Emotional\\_Connection\\_To\\_Their\\_Jobs/Work\\_experience.pdf](http://www.towers.com/towers/webcache/towers/United_States/publications/Reports/Working_Today_Exploring_Employees_Emotional_Connection_To_Their_Jobs/Work_experience.pdf); Quote from Vu, U. (2003, February 24). Employee morale: One-third unhappy. *Canadian HR Reporter*, 16, p. 2.



**Exhibit 4.8**  
Employee discontent and turnover intentions.

Source: Reprinted with permission of Towers Perrin, from “Working today: Exploring employees’ emotional connections to their jobs.” © Towers Perrin 2003.

## Performance

It seems sensible that job satisfaction contributes to less absenteeism and turnover, but does it also lead to improved job performance? After all, employees might be so “satisfied” that no work is accomplished! In fact, research has confirmed what folk wisdom and business magazines have advocated for many years—job satisfaction is associated with enhanced performance.<sup>48</sup> However, the connection between satisfaction and performance is complicated, because many factors influence motivation and performance besides job satisfaction (as we’ll see in Chapter 5). Thus, research has led to some qualifications to the idea that “a happy worker is a productive worker.”

All satisfaction facets are not equal in terms of stimulating performance. The most important facet has to do with the content of the work itself.<sup>49</sup> Thus, interesting, challenging jobs are most likely to stimulate high performance (we will see how to design such jobs in Chapter 6). One consequence of this is the fact that the connection between job satisfaction and performance is stronger for complex high tech jobs in science, engineering, and computers and less strong for more routine labour jobs. In part, this is because people doing complex jobs have more control over their level of performance.

Another issue in the connection between job satisfaction and performance has to do with which of these is the cause and which the effect. Although job satisfaction contributes to performance, performance probably also contributes to job satisfaction.<sup>50</sup> How does this happen? When good performance is *followed by rewards*, employees are more likely to be satisfied. Thus, the standout computer analyst who is given a bonus should register an increase in job satisfaction. This reversed causality is beneficial because the other benefits of high satisfaction accrue. However, many organizations do not reward good performance sufficiently, thus setting a limit on the connection between satisfaction and performance.

In addition to boosting formal job performance, satisfaction can also contribute to employees’ informal, everyday behaviour and actions that help their organizations and their co-workers. Let us turn to a discussion of this.

## Organizational Citizenship Behaviour

**Organizational citizenship behaviour.** Voluntary, informal behaviour that contributes to organizational effectiveness.

**Organizational citizenship behaviour (OCB)** is voluntary, informal behaviour that contributes to organizational effectiveness.<sup>51</sup> In many cases, the formal performance evaluation system does not detect and reward it. Job satisfaction contributes greatly to the occurrence of OCB.<sup>52</sup>

An example of OCB should clarify the concept. You are struggling to master a particularly difficult piece of software. A colleague at the next desk, busy on her own rush job, comes over and offers assistance. Irritated with the software, you are not even very grateful at first, but within 10 minutes you have solved the problem with her help. Notice the defining characteristics of this example of OCB:

- The behaviour is voluntary. It is not included in her job description.
- The behaviour is spontaneous. Someone did not order or suggest it.
- The behaviour contributes to organizational effectiveness. It extends beyond simply doing you a personal favour.
- The behaviour is unlikely to be explicitly picked up and rewarded by the performance evaluation system, especially since it is not part of the job description.

What are the various forms that OCB might take? As the software example indicates, one prominent form is *helping* behaviour, offering assistance to others. Another might be *conscientiousness* to the details of work, including getting in on the snowiest day of the year and not wasting organizational resources. A third form of OCB involves being a *good sport* when the inevitable frustrations of organiza-

Omitted Due to  
Copyright Restrictions

When one worker voluntarily helps out another, it is an example of organizational citizenship, which positively affects organizational effectiveness.

tional life crop up—not everyone can have the best office or the best parking spot. A final form of OCB is *courtesy and cooperation*.<sup>53</sup> Examples might include warning the photocopy unit about a big job that is on the way or delaying one's own work to assist a colleague on a rush job.

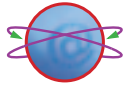
Just how does job satisfaction contribute to OCB? Fairness seems to be the key.<sup>54</sup> Although distributive fairness (especially in terms of pay) is important, procedural fairness on the part of one's manager seems especially critical.<sup>55</sup> If the manager strays from the prescriptions for procedural fairness we gave earlier, OCB can suffer. If one feels unfairly treated, it might be difficult to lower formal performance for fear of dire consequences. It might be much easier to withdraw the less visible, informal activities that make up OCB. On the other hand, fair treatment and its resulting satisfaction might be reciprocated with OCB, a truly personalized input.

It is interesting that OCB is also influenced by employees' mood at work. People in a pleasant, relaxed, optimistic mood are more likely to provide special assistance to others.<sup>56</sup> Some of this research is based on studies with salespeople, so OCB might make customer service more competitive. Let's look at this issue.

## Customer Satisfaction and Profit

So far, we have established that job satisfaction can reduce employee absenteeism and turnover and increase employee performance and citizenship behaviour. But is it possible that employee satisfaction could actually affect *customer* satisfaction? That is, do happy employees translate into happy customers? And do happy employees actually contribute to the bottom line of the organization by increasing organizational profits? After all, we have warned that the translation of positive attitudes into positive employee behaviours is less than perfect and such attitudes therefore might not affect the bottom line.

A growing body of evidence has established that employee job satisfaction is indeed translated into customer or client satisfaction and organizational profitability.<sup>57</sup> Thus, organizations with higher average levels of employee satisfaction are more effective. The same applies to units within larger organizations. Hence, local bank branches or insurance claims offices with more satisfied employees should tend to have more satisfied clients and generate more profitability for the larger firm. Thus, it makes good sense to use employee satisfaction as one criterion in judging the effectiveness of local unit managers.



Sears  
www.sears.ca

How does employee satisfaction translate into customer satisfaction? Reduced absenteeism and turnover contribute to the seamless delivery of service, as do the OCBs that stimulate good teamwork. Also, the mood mechanism, mentioned earlier, should not be discounted, as good mood among employees can be contagious for customers.

The Ford Motor Company (see Chapter 16) and the retailer Sears have been particularly attentive to the links among employee satisfaction, customer satisfaction, and profit. In an 800-store study, Sears found a clear positive relationship between employee satisfaction and store profitability. In addition, improvements in employee satisfaction were mirrored in customer satisfaction, resulting in an estimated \$200 million in added annual revenue.<sup>58</sup>

Let us turn now to another important work attitude—organizational commitment.

## What Is Organizational Commitment?

### Organizational commitment.

An attitude that reflects the strength of the linkage between an employee and an organization.

### Affective commitment.

Commitment based on identification and involvement with an organization.

### Continuance commitment.

Commitment based on the costs that would be incurred in leaving an organization.

### Normative commitment.

Commitment based on ideology or a feeling of obligation to an organization.

**Organizational commitment** is an attitude that reflects the strength of the linkage between an employee and an organization. This linkage has implications for whether someone tends to remain in an organization. Researchers John Meyer and Natalie Allen have identified three very different types of organizational commitment:<sup>59</sup>

- **Affective commitment** is commitment based on a person's identification and involvement with an organization. People with high affective commitment stay with an organization because they *want* to. Employees at Husky have high affective commitment. They participate in rotating council meetings where they make suggestions for improvements and they are proud of where they work.
- **Continuance commitment** is commitment based on the costs that would be incurred in leaving an organization. People with high continuance commitment stay with an organization because they *have* to.
- **Normative commitment** is commitment based on ideology or a feeling of obligation to an organization. People with high normative commitment stay with an organization because they think that they *should* do so.

A recent development in the commitment literature is that employees can be committed not only to their organization but also to various constituencies within and outside the organization. For example, each type of commitment could also apply to one's work team, union, or profession.<sup>60</sup>

## Key Contributors to Organizational Commitment

As you might expect, the causes of the three forms of commitment tend to differ. Far and away the best predictor of affective commitment is interesting, satisfying work of the type found in enriched jobs (Chapter 6).<sup>61</sup> One mistake that organizations sometimes make is starting employees out in unchallenging jobs so that they do not make any serious errors. This can have a negative impact on affective commitment. Role clarity and having one's expectations met after being hired also contribute to affective commitment.<sup>62</sup>

Continuance commitment occurs when people feel that leaving the organization will result in personal sacrifice, or they perceive that good alternative employment is lacking. Building up "side bets" in pension funds, obtaining rapid promotion, or being well integrated into the community where the firm is located can lock employees into organizations even though they would rather go elsewhere. Not surprisingly, continuance commitment increases with the time a person is employed by his or her organization.



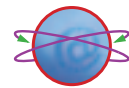
Normative commitment (“I *should* stay here”) can be fostered by benefits that build a sense of obligation to the organization. These might include tuition reimbursements or special training that enhances one’s skills. Strong identification with an organization’s product or service (“I should stay here because the Sierra Club is doing important work”) can also foster normative commitment. Finally, certain socialization practices (Chapter 8) that emphasize loyalty to the organization can stimulate normative commitment. For example, sports coaches often haze players who miss practice to stress the importance of loyalty to the team.

## Consequences of Organizational Commitment

There is good evidence that all forms of commitment reduce turnover intentions and actual turnover.<sup>63</sup> Organizations plagued with turnover problems among key employees should look carefully at tactics that foster commitment. This is especially called for when turnover gets so bad that it threatens customer service. Many service organizations (e.g., restaurants and hotels), however, have traditionally accepted high turnover rates.

Organizations should take care, though, in their targeting of the kind of commitment to boost. Research shows that affective commitment is positively related to performance. However, continuance commitment is *negatively* related to performance, something you might have observed in dealing with burnt-out bureaucrats.<sup>64</sup> An especially bad combination for both the employee and the organization is high continuance commitment coupled with low affective commitment—people locked into organizations that they detest. This happens very frequently during recessions.

Is there a downside to organizational commitment? Very high levels of commitment can cause conflicts between family life and worklife. Also, very high levels of commitment have often been implicated in unethical and illegal behaviour, including a General Electric price-fixing conspiracy and illegal payoffs made by some Lockheed employees. Finally, high levels of commitment to a particular *form or style* of organization can cause a lack of innovation and lead to resistance when a change in the culture is necessary.<sup>65</sup>



General Electric  
www.ge.com

## Changes in the Workplace and Employee Commitment

Organizations are experiencing unprecedented change as a result of shifts in workforce demographics, technological innovations, and global competition.<sup>66</sup> In an era of layoffs, downsizing, outsourcing, restructuring, and reengineering, there is evidence that employees are losing commitment to their organizations.<sup>67</sup> People often view their careers as a series of jobs with a variety of potential employers, or they even see themselves as freelancers rather than having a series of jobs in one organization. Because of the consequences of employee commitment for individuals and organizations, it is important to understand how these changes might affect employee commitment.

John Meyer, Natalie Allen, and Laryssa Topolnytsky have studied commitment in a changing world of work, and they note that changes in the workplace on employee commitment can be seen in three main areas:<sup>68</sup>

- *Changes in the nature of employees’ commitment to the organization.* Changes in the workplace can have an impact on all three types of organizational commitment. Depending on the nature of the changes and how they are managed, employees’ levels of affective, continuance, and normative commitment can increase or decrease. Whatever the case, the commitment profiles of employees following a change will be different from what they were prior to the change, and maintaining high levels of affective commitment will be particularly challenging. Changes that are made in the organization’s best interest but that are detrimental to employees’ well being are most likely to damage affective commitment.

- *Changes in the focus of employees' commitment.* As mentioned earlier, the focus of the three types of commitment can include entities other than the organization. Thus, employees generally have multiple commitments. In particular, employee commitment can be directed to others within the organization, such as subunits or divisions, teams, the “new” organization, as well as entities outside the organization, such as one's occupation, career, and union. Therefore, it should not be surprising that changes in the workplace might alter the focus of employees' commitments both within and outside of the organization. For example, as organizations increase in size following mergers and acquisitions, employees are likely to shift their commitment to smaller organizational units, such as their particular division, branch, or team. As well, changes that threaten employees' future in the organization might result in a shift in commitment to entities outside the organization, such as one's profession, occupation, or personal career.
- *The multiplicity of employer–employee relationships within organizations.* As organizations attempt to cope and adapt to rapid change, they need to be flexible enough to shrink and expand their workforce, and at the same time, they need a workforce that is flexible enough to get any job done. This creates a potential conflict as employees who do not have a guarantee of job security may be unwilling to be as flexible as the organization would like or to have a strong affective commitment toward the organization. A potential solution to this problem is for organizations to have different relationships with employees and employee groups. For example, an organization might have a group of core employees who perform the key operations required for organizational success. It would be important for this group of employees to have a high level of affective organizational commitment. Other employee groups would consist of those with contractual arrangements or individuals hired on a temporary basis who do not perform the core tasks and whose commitment to the organization is not as important. The idea of a multiplicity of employee–organization relationships enables organizations to have a flexible workforce and at the same time foster a high level of affective commitment among a core group of employees.

In summary, changes in the workplace are having an impact on the nature of employee commitment and employee–employer relationships. It is therefore important that organizations understand how changes in the workplace can change the profile and focus of employees' commitment and the impact this can have on employee behaviour and organizational success.

## the manager's Notebook

### RAC's Call Centres

1. Call centres represent a difficult work setting for several reasons. While the actual work can vary from one call centre to the next, tasks in call centres are generally highly scripted and closely monitored. Furthermore, tasks are repetitive and workers have little control over the pace of the work. Although some have made comparisons between call centres and assembly lines, it is important to note that call centre work often involves contact with customers who may have complaints or be hostile during the interaction; as such, although monotonous and repetitive, call centre work can also be very emotional and stressful. Furthermore, given the high turnover rates, the frequent use of temporary employees, and the solitary nature of the work, long-lasting friendships and pleasant social interactions with co-workers can be difficult to achieve. Finally, pay is generally low and opportunities for advancement are extremely limited. In sum, job satisfaction in call centres is at risk because of the lack of mentally challenging work, the lack of social interaction with colleagues, and the low pay and close supervision that can be seen as threats to distributive and procedural fairness.
2. RAC used a bundle of human resource initiatives to enhance employee satisfaction and improve performance. First, greater emphasis was placed on people, and concerted attempts were made to relieve the pressure and routine of call centre work. The organizational structure was flattened

from seven levels to four, and a new team environment was created. One of the team manager's functions was to put some "fun" into the workplace through activities and prizes. Team bonding was also encouraged through social events. Second, efforts were made to make the call centre jobs more mentally challenging. The old functional separation between sales and service was eliminated, and new multi-skilled customer adviser positions were created. A suggestion scheme called "Bright Ideas," which rewards good ideas with a chance for prizes, was created to encourage staff to think up ways of improving service. Third, perceptions of distributive and procedural fairness were enhanced through a new, more generous, pay system. Finally, RAC focused on the attitudes of its workers through recruiting and training. The goal was to have a more reliable, committed, and skilled workforce. What were the results? Performance indicators at RAC's Bristol call centre improved immediately in terms of calls per hour and customer satisfaction. Turnover, which had averaged between 27 and 35 percent over the three years prior to the changes, fell to 8 percent in 1997 and 2 percent in 1998, while absenteeism decreased by 5 percent from 1997 to 1998. Job satisfaction also rose after the changes were implemented, and reported levels of satisfaction remained high four years after the changes.

## Learning Objectives Checklist

1. *Values* are broad preferences for particular states of affairs. Values tend to differ across occupational groups and across cultures. Critical cross-cultural dimensions of values include power distance, uncertainty avoidance, masculinity/femininity, individualism/collectivism, and time orientation. Differences in values across cultures set constraints on the export and import of organizational behaviour theories and management practices. They also have implications for satisfying global customers and developing globally aware employees.
2. *Attitudes* are a function of what we think about the world (our beliefs) and how we feel about the world (our values). Attitudes are important because they influence how we behave, although we have discussed several factors that reduce the correspondence between our attitudes and behaviours. While one approach to changing attitudes recommends trying to alter an individual's attitudes directly, dissonance theory suggests that attitudes can be changed by getting people to enact desired behaviours that are incompatible with their attitudes.
3. *Job satisfaction* is an especially important attitude for organizations. Satisfaction is a function of the

discrepancy between what individuals want from their jobs and what they perceive that they obtain, taking into account distributive and procedural fairness. Dispositional factors, moods, and emotions also influence job satisfaction. Factors such as challenging work, adequate compensation, career opportunities, and friendly, helpful co-workers contribute to job satisfaction.

4. Job satisfaction is important because it promotes several positive outcomes for organizations. Satisfied employees tend to be less absent and less likely to leave their jobs. While links between satisfaction and performance are not always strong, satisfaction with the work itself has been linked to better performance. Satisfaction linked to perceptions of fairness can also lead to citizenship behaviors on the part of employees. Satisfied workers may also enhance customer satisfaction.
5. *Organizational commitment* is an attitude that reflects the strength of the linkage between an employee and an organization. *Affective commitment* is based on a person's identification with an organization. *Continuance commitment* is based on the costs of leaving an organization. *Normative commitment* is based on ideology or feelings of obligation. Changes in the workplace can change the nature and focus of employee commitment as well as employer–employee relationships. To foster commitment, organizations need to be sensitive to the expectations of employees and consider the impact of policy decisions beyond economic issues.

## Discussion Questions

1. What are some of the conditions under which a person's attitudes might not predict his or her work behaviour?
2. Many organizations use diversity training to promote favourable attitudes among employees who differ in gender, age, race, ethnicity, or sexual orientation. Given our discussion of attitude change, what factors would improve the success of such efforts? Could behaviour change foster attitude change?
3. Explain how these people might have to regulate their emotions when doing their jobs: hair salon owner; bill collector; police officer; teacher. How will this regulation of emotion affect job satisfaction?
4. Using the model of the turnover process in Exhibit 4.7, explain why a very dissatisfied employee might not quit his or her job. Explain why employees who are very satisfied with their jobs might not be better performers than those who are less satisfied.
5. Use equity theory to explain why a dentist who earns \$100,000 a year might be more dissatisfied with her job than a factory worker who earns \$40,000.
6. Mexico has a fairly high power distance culture, while the United States and Canada have lower power distance cultures. Discuss how effective management techniques might vary between Mexico and its neighbours to the north.
7. Describe some job aspects that might contribute to job satisfaction for a person in a more collective culture. Do the same for a person in a more individualistic culture.
8. Give an example of an employee who is experiencing distributive fairness but not procedural fairness. Give an example of an employee who is experiencing procedural fairness but not distributive fairness.

## Integrative Discussion Questions

1. What role do perceptions play in the determination of job satisfaction? Refer to the components of perception in Chapter 3 and describe how perception plays a role in the determination of job satisfaction according to discrepancy theory, equity theory, and dispositions. How can perceptions be changed in order to increase job satisfaction?
2. Does personality influence values and job attitudes? Discuss how the “Big Five” personality dimensions, locus of control, self-monitoring, self-esteem, and positive and negative affectivity might influence occupational choice, job satisfaction, and organizational commitment (affective, continuance, and normative). If personality influences job satisfaction and organizational commitment, how can organizations foster high levels of these attitudes?

## Experiential Exercise

### Cultural Diversity Quiz

This quiz will give you an idea of how much you already know about cultural diversity. In some cases, there is more than one correct response to each question.

- \_\_\_\_ 1. On average, how long do native-born Americans maintain eye contact?
- 1 second
  - 15 seconds
  - 30 seconds
- \_\_\_\_ 2. True or false: One of the few universal ways to motivate workers, regardless of cultural background, is through the prospect of a promotion.
- \_\_\_\_ 3. Learning to speak a few words of the language of immigrant clients, customers, and workers is:
- Generally a good idea as the effort communicates respect for the other person
  - Generally not a good idea because they might feel patronized
  - Generally not a good idea because they might be offended if a mistake is made in vocabulary or pronunciation
- \_\_\_\_ 4. True or false: North American culture has no unique characteristics; it is composed only of individual features brought from other countries.
- \_\_\_\_ 5. When communicating across language barriers, using the written word:
- Should be avoided; it can insult the immigrant or international visitor's intelligence
  - Can be helpful; it is usually easier to read English than to hear it
  - Can be confusing; it is usually easier to hear English than to read it
- \_\_\_\_ 6. True or false: Behaving formally around immigrant colleagues, clients, and workers—that is, using last names, observing strict rules of etiquette—is generally not a good idea as it gives the impression of coldness and superiority.
- \_\_\_\_ 7. In times of crisis, the immigrant's ability to speak English:
- Diminishes because of stress
  - Stays the same
  - Improves because of the necessity of coping with the crisis
  - Completely disappears
- \_\_\_\_ 8. The number of languages spoken in the United States today is:
- 0–10
  - 10–50
  - 50–100
  - 100+
- \_\_\_\_ 9. True or false: Immigrant families in the United States largely make decisions as individuals and have generally abandoned the practice of making decisions as a group.
- \_\_\_\_ 10. When you have difficulty understanding someone with a foreign accent:
- It probably means that he or she cannot understand you either.
  - It probably means that he or she is recently arrived in your country.
  - It is helpful if you listen to all that he or she has to say before interrupting, as the meaning might become clear in the context of the conversation.
  - It is helpful for you to try to guess what the speaker is saying and to speak for him or her so as to minimize the risk of embarrassment.
- \_\_\_\_ 11. When an Asian client begins to give you vague answers before closing a deal, saying things like “It will take time to decide,” or “We’ll see,” the best thing to do is:
- Back off a bit, he or she may be trying to say “no” without offending you.
  - Supply more information and data about your service or product, especially in writing.
  - Push for a “close.” His or her vagueness is probably a manipulative tactic.
  - State clearly and strongly that you are dissatisfied with his or her reaction so as to avoid any misunderstanding.
- \_\_\_\_ 12. Apparent rudeness and abruptness in immigrants is often due to:
- Lack of facility with the English language
  - A difference in cultural style
  - Differing tone of voice
- \_\_\_\_ 13. True or false: Many immigrant and ethnic cultures place greater importance on how something is said (body language and tone of voice) than on the words themselves.
- \_\_\_\_ 14. The avoidance of public embarrassment (loss of face) is of central concern to which of the following cultures?
- Hispanic
  - Mainstream American
  - Asian
  - Middle-Eastern
- \_\_\_\_ 15. True or false: One of the few universals in etiquette is that everyone likes to be complimented in front of others.
- \_\_\_\_ 16. In a customer-service situation, when communicating to a decision maker through a child who is functioning as interpreter, it is best to:
- Look at the child as you speak so that he or she will be certain to understand you.
  - Look at the decision maker.
  - Look back and forth between the two.



- \_\_\_ 17. Which of the following statements is (are) true?
- Most Asian workers like it when the boss rolls up his or her sleeves to work beside employees.
  - Taking independent initiative on tasks is valued in most workplaces throughout the world.
  - Many immigrant workers are reluctant to complain to the boss as they feel it is a sign of disrespect.
  - Asians are quick to praise superiors to their face in an attempt to show respect.
- \_\_\_ 18. True or false: The “V” sign for victory is a universal gesture of good will and triumph.
- \_\_\_ 19. Which of the following statements is (are) true?
- It is inappropriate to touch Asians on the hand.
  - Middle-Eastern men stand very close as a means of dominating the conversation.
  - Mexican men will hold another man’s lapel during a conversation as a sign of good communication.
- \_\_\_ 20. Building relationships slowly when doing business with Hispanics is:
- A bad idea; if you do not move things along, they will go elsewhere
  - A bad idea; they will expect native-born professionals to move quickly, so will be disoriented if you do not
  - A good idea; it may take longer, but the trust you build will be well worth the effort

## Scoring and Interpretation

Below are the correct answers to each of the 20 questions in the Cultural Diversity Quiz. To score your quiz, simply add up the number of correct answers. If your score is above 15, you are quite knowledgeable about cultural diversity. If your score is below 15, you need to improve your knowledge of cultural diversity.

1. a 2. False 3. A 4. False 5. b 6. False 7. a 8. d 9. False 10. c 11. a 12. a, b, and c 13. True 14. a, c, and d 15. False 16. b 17. c 18. False 19. c 20. c

Source: Thiederman, Sondra B. (1991). *Profiting in America’s multi-cultural workplace: How to do business across cultural lines*, pp. 245–247. Reprinted with permission of Lexington Books, an imprint of the Rowman & Littlefield Publishing Group.

## Case Incident

### How Much Do You Get Paid?

Joan had been working as a reporter for a large television network for seven years. She was an experienced and hard-working reporter who had won many awards over the years for her outstanding work. The work was exciting and challenging, and at \$75,000 a year plus benefits she felt well paid and satisfied. Then she found out that two recent graduates

from one of the best schools of journalism in the United States had just been hired by her network at a starting salary of \$80,000. Further, two other reporters who worked with Joan and had similar track records had just received job offers from American networks and were being offered \$150,000 plus \$10,000 for every award won for their reporting.

- According to equity theory, how will these incidents influence Joan’s job satisfaction and behaviour?
- What should Joan do in response to her situation? What should her organization do?

## Case Study

### Michael Simpson

Michael Simpson is one of the most outstanding managers in the management consulting division of Avery McNeil and Co. (Avery McNeil is primarily an accounting firm, that has two divisions besides accounting: tax and management consulting.) A highly qualified individual with a deep sense of responsibility, Simpson had obtained his M.B.A. two years ago from one of the leading northeastern schools. Before graduating from business school, Simpson had interviewed a number of consulting firms and decided that the consulting division of Avery McNeil offered the greatest potential for rapid advancement.

Simpson had recently been promoted to manager, making him the youngest individual at this level in the consulting group. Two years with the firm was an exceptionally short period of time in which to achieve this promotion. Although the promotions had been announced, Simpson had not yet been informed of his new salary. Despite the fact that his career had progressed well, he was concerned that his salary would be somewhat lower than the current market value that a headhunter had recently quoted him.

Simpson’s wife, Diane, soon would be receiving her M.B.A. One night over dinner, Simpson was amazed to hear the salaries being offered to new M.B.A.s. Simpson commented to Diane, “I certainly hope I get a substantial raise this time. I mean, it just wouldn’t be fair to be making the same amount as recent graduates when I’ve been at the company now for over two years! I’d like to buy a house soon, but with housing costs rising and inflation following, that will depend on my pay raise.”

Several days later, Simpson was working at his desk when Dave Barton, a friend and colleague, came across to Simpson’s office. Barton had been hired at the same time as Simpson and had also been promoted recently. Barton told Simpson, “Hey, Mike, look at this! I was walking past Jane’s desk and saw this memo from the human resource manager lying there. She obviously forgot to put it away. Her boss would kill her if he found out!”

The memo showed the proposed salaries for all the individuals in the consulting group that year. Simpson looked at the list and was amazed by what he saw. He said, “I can’t believe this, Dave! Walt and Rich will be getting \$12,000 more than I am.” Walt Gresham and Rich Watson had been



hired within the past year. Before coming to Avery McNeil they had both worked one year at another consulting firm. Barton spoke angrily:

Mike, I knew the firm had to pay them an awful lot to attract them, but to pay them more than people above them is ridiculous!

*Simpson:* You know, if I hadn't seen Walt and Rich's salaries, I would think I was getting a reasonable raise. Hey listen, Dave, let's get out of here. I've had enough of this place for one day.

*Barton:* Okay, Mike, just let me return this memo. Look, it's not that bad; after all, you are getting the largest raise.

On his way home, Simpson tried to think about the situation more objectively. He knew that there were a number of pressures on the compensation structure in the consulting division. If the division wished to continue attracting M.B.A.s from top schools, it would have to offer competitive salaries. Starting salaries had increased about \$23,000 during the last two years. As a result, some of the less experienced M.B.A.s were earning nearly the same amounts as others who had been with the firm several years but had come in at lower starting salaries, even though their pay had been gradually increasing over time. Furthermore, because of expanding business, the division had found it necessary to hire consultants from other firms. In order to do so effectively, Avery McNeil had found it necessary to upgrade the salaries they offered. The firm as a whole was having problems meeting the federally regulated Equal Opportunity Employment goals and was trying especially hard to recruit women and minorities.

One of Simpson's colleagues, Martha Lohman, had been working in the consulting division of Avery McNeil and Company until three months ago, when she was offered a job at another consulting firm. She had become disappointed with her new job and on returning to her previous position at Avery McNeil was rehired at a salary considerably higher than her former level. Simpson had noticed on the memo that she was earning more than he was, even though she was not given nearly the same level of responsibility as he was. Simpson also realized that the firm attempted to maintain some parity between salaries in the auditing and consulting divisions.

When Simpson arrived home, he discussed the situation with his wife:

*Simpson:* Diane, I know I'm getting a good raise, but I am still earning below my market value—\$20,000 less than that headhunter told me last week. And the fact that those two guys from the other consulting firm are getting more than I shows the firm is prepared to pay competitive rates.

*Diane:* I know it's unfair, Mike, but what can you do? You know your boss won't negotiate salaries after they have been approved by the compensation com-

mittee, but it wouldn't hurt to at least talk to him about your dissatisfaction. I don't think you should let a few thousand dollars a year bother you. You will catch up eventually, and the main thing is that you really enjoy what you are doing.

*Simpson:* Yes I do enjoy what I'm doing, but that is not to say that I wouldn't enjoy it elsewhere. I really just have to sit down and think about all the pros and cons in my working for Avery McNeil. First of all, I took this job because I felt that I could work my way up quickly. I think that I have demonstrated this, and the firm has also shown that they are willing to help me achieve this goal. If I left this job for a better-paying one, I might not get the opportunity to work on the exciting jobs that I am currently working on. Furthermore, this company has time and money invested in me. I'm the only one at Avery that can work on certain jobs, and the company has several lined up. If I left the company now, they would not only lose me, but they would probably lose some of their billings as well. I really don't know what to do at this point, Diane. I can either stay with Avery McNeil or look for a higher-paying job elsewhere; however, there is no guarantee that my new job would be a "fast track" one like it is at Avery. One big plus at Avery is that the people there already know me and the kind of work I produce. If I went elsewhere, I'd essentially have to start all over again. What do you think I should do, Diane?

Source: Nadler, D. A., Tushman, M. L., & Hatvany, N. G. (1982). *Managing organizations: Readings and cases*. Boston: Little, Brown.

1. Use discrepancy theory concepts to explain Michael Simpson's feelings.
2. Use equity theory to explain Michael's feelings. Provide details about inputs, outcomes, and likely comparison people.
3. Comment on Mike's likely perceptions about procedural fairness at Avery McNeil and Co.
4. Apply Affective Events Theory to the case. How did the memo affect the mood in the office? What emotions are at play?
5. Use Exhibit 4.7 to analyze the factors that might determine if Mike quits his job at Avery McNeil.
6. Speculate on the likely consequences of Mike's dissatisfaction if he does not quit the firm.
7. Comment on how Mike's organizational commitment may be changing.
8. What should Mike do now?